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TO AMEMBASSY ROME IMMEDIATE IMMEDIATE 5931  
 AMEMBASSY PARIS IMMEDIATE 8538  
 AMEMBASSY BONN IMMEDIATE 7578  
 AMEMBASSY LUXEMBOURG IMMEDIATE 4694  
 AMEMBASSY LONDON IMMEDIATE 0380  
 AMEMBASSY BRUSSELS IMMEDIATE 9085  
 AMEMBASSY THE HAGUE IMMEDIATE 3022  
 AMEMBASSY COPENHAGEN IMMEDIATE 9799  
 AMEMBASSY DUBLIN IMMEDIATE 5737  
 AMEMBASSY TOKYO IMMEDIATE 6885  
 AMEMBASSY MOSCOW IMMEDIATE 6421  
 AMEMBASSY SOFIA IMMEDIATE 6225  
 AMEMBASSY WARSAW IMMEDIATE 1815  
 AMEMBASSY PRAGUE IMMEDIATE 1278  
 AMEMBASSY BUCHAREST IMMEDIATE 8196  
 AMEMBASSY BUDAPEST IMMEDIATE 2121  
 AMEMBASSY BELGRADE IMMEDIATE 4839  
 AMEMBASSY OTTAWA IMMEDIATE 2689  
 AMEMBASSY CANBERRA IMMEDIATE 5442  
 AMEMBASSY BUENOS AIRES IMMEDIATE 7574  
 AMEMBASSY NEW DELHI IMMEDIATE 5458  
 USMISSION GENEVA IMMEDIATE 5334  
 USMISSION EC BRUSSELS IMMEDIATE 8698  
 USMISSION OECD PARIS IMMEDIATE 7038

UNCLAS STATE 220119

E.O. 11652 N/A

TAGS: ETRD, EAGR RUSSR

SUBJECT: SOVIET GRAIN CONTRACTS HELD IN ABEYANCE.

1. FOLLOWING STATEMENT ISSUED OCTOBER 4 PM BY TREASURY  
 SECRETARY SIMON.

BEGIN TEXT: AT THE REQUEST OF THE PRESIDENT TWO CONTRACTS  
 FOR SALE OF CORN AND WHEAT TO THE SOVIET UNION HAVE BEEN  
 HELD IN ABEYANCE. THESE CONTRACTS, REPORTED TODAY BY THE  
 DEPARTMENT OF AGRICULTURE, INVOLVE ROUGHLY 72 MILLION  
 BUSHELS OF CORN AND ROUGHLY 34 MILLION BUSHELS OF WHEAT FOR

\*\*\*\*\*WHSR COMMENT\*\*\*\*\*

SCOWCROFT,LL

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PAGE 01

TOR:278/01:17Z

DTG:050049Z OCT 74

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SHIPMENT DURING THE 1974-75 MARKETING YEAR. A PORTION OF THESE CONTRACTS ARE EXPECTED TO BE DELIVERED FROM OTHER COUNTRIES.

AT THE DIRECTION OF THE PRESIDENT, SECRETARY SIMON HAS CALLED THE COMPANIES INVOLVED IN THE SPECIFIC CONTRACTS, CONTINENTAL GRAIN AND COOK CO., TO REQUEST THAT THEY SEND REPRESENTATIVES TO WASHINGTON TO MEET WITH THE PRESIDENT TOMORROW.

IN ADDITION THE PRESIDENT HAS DIRECTED THAT ALL MAJOR EXPORTING COMPANIES BE INFORMED THAT HE EXPECTS THAT NO LARGE CONTRACTS FOR GRAIN WILL BE SIGNED IN THE FUTURE WITHOUT SPECIFIC PRIOR APPROVAL BY THE WHITE HOUSE.

SECRETARY SIMON WILL BE IN MOSCOW NEXT WEEK AT WHICH TIME HE WILL DISCUSS RESOLUTION OF THIS MATTER WITH APPROPRIATE SOVIET OFFICIALS. END TEXT. KISSINGER  
BT

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PAGE 02

OF 02

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DTG:050040Z OCT 74

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